



# Memorandum

**To:** ISO Board of Governors

**From:** Roger Collanton, Vice President, General Counsel, and Corporate Secretary

**Date:** April 22, 2026

**Re:** **Decision on consent agenda**

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***This memorandum requires ISO Board of Governors action.***

The April 30, 2026, Board of Governors general session consent agenda will consist of potentially three items, depending on the WEM Governing Body votes in its general session meeting:

1. Financial planning initiatives: Cost-of-Service Study extension and revenue requirement cap increase – Governing Body Primary Authority (Attachment 1)
2. Rate design for Regional Organization for Western Energy start-up funding - Governing Body Primary Authority (Attachment 2)
3. Board of Governors December 18, 2025 general session minutes (Attachment 3: draft minutes [not publicly posted]. Final minutes to be posted upon Board decision on consent agenda).

As to items 1 and 2 above, pursuant to the ISO bylaws and the Charter for WEIM and EDAM Governance, the WEM Governing Body has primary authority, as delegated by the ISO Board of Governors, over changes to market rules that are applicable to EDAM or WEIM, or that change or establish the formation of a locational marginal price. The Charter specifies that such market rule changes first go to the WEM Governing Body for approval, and then to the Board for approval via consent agenda. In its general session meeting on April 28, 2026, the WEM Governing Body will consider these items which propose tariff amendments:

1. The financial planning initiatives would amend the tariff in two ways. It would extend the Cost-of-Service Study timeline so that the next study, which would otherwise occur in 2026, instead occurs in 2028. This extension is meant to ensure that the rates resulting from the next study include a full year of EDAM data. In addition, it would increase the revenue requirement cap for the grid management charge to allow sufficient headroom to recover projected costs.

2. The rate design for Regional Organization for Western Energy (ROWE) Startup Funding initiative would amend the tariff to establish a cost recovery mechanism. This initiative is intended to support a broader proposal to provide startup debt financing for the ROWE. The costs would be recovered from market participants in a manner similar to how the ISO currently recovers the costs of operating its market through components of the grid management charge.

The consent agenda will consist of one or both of these matters if they are approved by the WEM Governing Body.

Management proposes the following motion:

***Moved, that the ISO Board of Governors approves the April 30, 2026, consent agenda, as described in the memorandum dated April 22, 2026.***

As noted above, Management's memoranda to the WEM Governing Body detailing the proposals are included as Attachments 1 and 2. The WEM Governing Body's corresponding motions with votes regarding the proposals will be provided to the ISO Board of Governors on April 28, 2026. The draft December 18, 2025, general session minutes [not publicly posted] are referenced as Attachment 3.